

B 25C (Official Form 25C) (12/08)

UNITED STATES BANKRUPTCY COURT

Southern District of West Virginia

In re Daily Gazette Company,
Debtor

Case No. 18-20028

Small Business Case under Chapter 11

SMALL BUSINESS MONTHLY OPERATING REPORT

Month: Jan. 30 - February

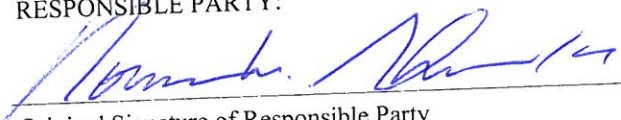
Date filed: 03/23/2018

Line of Business: Newspaper/media

NAISC Code: 5111

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING SMALL BUSINESS MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

RESPONSIBLE PARTY:


Original Signature of Responsible Party

Norman W. Shumate III

Printed Name of Responsible Party

Questionnaire: (All questions to be answered on behalf of the debtor.)

	Yes	No
1. IS THE BUSINESS STILL OPERATING?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. HAVE YOU PAID ALL YOUR BILLS ON TIME THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. DID YOU PAY YOUR EMPLOYEES ON TIME?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. HAVE YOU DEPOSITED ALL THE RECEIPTS FOR YOUR BUSINESS INTO THE DIP ACCOUNT THIS MONTH?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. HAVE YOU FILED ALL OF YOUR TAX RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. HAVE YOU TIMELY FILED ALL OTHER REQUIRED GOVERNMENT FILINGS?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. HAVE YOU PAID ALL OF YOUR INSURANCE PREMIUMS THIS MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. ARE YOU CURRENT ON YOUR QUARTERLY FEE PAYMENT TO THE U.S. TRUSTEE?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. HAVE YOU PAID ANYTHING TO YOUR ATTORNEY OR OTHER PROFESSIONALS THIS MONTH?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12. HAS THE BUSINESS SOLD ANY GOODS OR PROVIDED SERVICES OR TRANSFERRED ANY ASSETS TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
13. DO YOU HAVE ANY BANK ACCOUNTS OPEN OTHER THAN THE DIP ACCOUNT?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. IS THE BUSINESS STILL OPERATING?
2. HAVE YOU PAID ALL YOUR BILLS ON TIME THIS MONTH?
3. DID YOU PAY YOUR EMPLOYEES ON TIME?
4. HAVE YOU DEPOSITED ALL THE RECEIPTS FOR YOUR BUSINESS INTO THE DIP ACCOUNT THIS MONTH?
5. HAVE YOU FILED ALL OF YOUR TAX RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH?
6. HAVE YOU TIMELY FILED ALL OTHER REQUIRED GOVERNMENT FILINGS?
7. HAVE YOU PAID ALL OF YOUR INSURANCE PREMIUMS THIS MONTH?
8. DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH?
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11. DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH?
12. HAS THE BUSINESS SOLD ANY GOODS OR PROVIDED SERVICES OR TRANSFERRED ANY ASSETS TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY?
13. DO YOU HAVE ANY BANK ACCOUNTS OPEN OTHER THAN THE DIP ACCOUNT?

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|---|--------------------------|-------------------------------------|
| 14. HAVE YOU SOLD ANY ASSETS OTHER THAN INVENTORY THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 15. DID ANY INSURANCE COMPANY CANCEL YOUR POLICY THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 16. HAVE YOU BORROWED MONEY FROM ANYONE THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 17. HAS ANYONE MADE AN INVESTMENT IN YOUR BUSINESS THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 18. HAVE YOU PAID ANY BILLS YOU OWED BEFORE YOU FILED BANKRUPTCY? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

TAXES

DO YOU HAVE ANY PAST DUE TAX RETURNS OR PAST DUE POST-PETITION TAX OBLIGATIONS? ☐ ☒

IF YES, PLEASE PROVIDE A WRITTEN EXPLANATION INCLUDING WHEN SUCH RETURNS WILL BE FILED, OR WHEN SUCH PAYMENTS WILL BE MADE AND THE SOURCE OF THE FUNDS FOR THE PAYMENT.

(Exhibit A)

INCOME

PLEASE SEPARATELY LIST ALL OF THE INCOME YOU RECEIVED FOR THE MONTH. THE LIST SHOULD INCLUDE ALL INCOME FROM CASH AND CREDIT TRANSACTIONS. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL INCOME \$ 11,210

SUMMARY OF CASH ON HAND

Cash on Hand at Start of Month \$ 11,807

Cash on Hand at End of Month \$ (1,154)

PLEASE PROVIDE THE TOTAL AMOUNT OF CASH CURRENTLY AVAILABLE TO YOU TOTAL \$ 15,000

(Exhibit B)

EXPENSES

PLEASE SEPARATELY LIST ALL EXPENSES PAID BY CASH OR BY CHECK FROM YOUR BANK ACCOUNTS THIS MONTH. INCLUDE THE DATE PAID, WHO WAS PAID THE MONEY, THE PURPOSE AND THE AMOUNT. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL EXPENSES \$ 23,980

(Exhibit C)

CASH PROFIT

INCOME FOR THE MONTH (TOTAL FROM EXHIBIT B) \$ 11,210

EXPENSES FOR THE MONTH (TOTAL FROM EXHIBIT C) \$ 23,980

(Subtract Line C from Line B) CASH PROFIT FOR THE MONTH \$ (12,770)

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UNPAID BILLS

PLEASE ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) WHICH YOU HAVE INCURRED SINCE THE DATE YOU FILED BANKRUPTCY BUT HAVE NOT PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, WHO IS OWED THE MONEY, THE PURPOSE OF THE DEBT AND WHEN THE DEBT IS DUE. *(THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)*

TOTAL PAYABLES \$ 0

(Exhibit D)

MONEY OWED TO YOU

PLEASE ATTACH A LIST OF ALL AMOUNTS OWED TO YOU BY YOUR CUSTOMERS FOR WORK YOU HAVE DONE OR THE MERCHANDISE YOU HAVE SOLD. YOU SHOULD INCLUDE WHO OWES YOU MONEY, HOW MUCH IS OWED AND WHEN IS PAYMENT DUE. *(THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)*

TOTAL RECEIVABLES \$ 0

(Exhibit E)

BANKING INFORMATION

PLEASE ATTACH A COPY OF YOUR LATEST BANK STATEMENT FOR EVERY ACCOUNT YOU HAVE AS OF THE DATE OF THIS FINANCIAL REPORT OR HAD DURING THE PERIOD COVERED BY THIS REPORT.

(Exhibit F)

EMPLOYEES

NUMBER OF EMPLOYEES WHEN THE CASE WAS FILED?	<u>4</u>
NUMBER OF EMPLOYEES AS OF THE DATE OF THIS MONTHLY REPORT?	<u>4</u>

PROFESSIONAL FEES

BANKRUPTCY RELATED:

PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD?	\$ <u>0</u>
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TOTAL PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE?	\$ <u>0</u>
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NON-BANKRUPTCY RELATED:

PROFESSIONAL FEES NOT RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD?	\$ <u>0</u>
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TOTAL PROFESSIONAL FEES NOT RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE?	\$ <u>0</u>
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PROJECTIONS

COMPARE YOUR ACTUAL INCOME AND EXPENSES TO THE PROJECTIONS FOR THE FIRST 180 DAYS OF YOUR CASE PROVIDED AT THE INITIAL DEBTOR INTERVIEW.

	Projected	Actual	Difference
INCOME	\$ 30,000	\$ 11,210	\$ (18,790)
EXPENSES	\$ 30,000	\$ 23,980	\$ 6,020
CASH PROFIT	\$ 0	\$ (12,770)	\$ (12,770)

TOTAL PROJECTED INCOME FOR THE NEXT MONTH:	\$ 30,000
TOTAL PROJECTED EXPENSES FOR THE NEXT MONTH:	\$ 30,000
TOTAL PROJECTED CASH PROFIT FOR THE NEXT MONTH:	\$ 0

ADDITIONAL INFORMATION

PLEASE ATTACH ALL FINANCIAL REPORTS INCLUDING AN INCOME STATEMENT AND BALANCE SHEET WHICH YOU PREPARE INTERNALLY.



Last statement: January 31, 2018
 This statement: February 28, 2018
 Total days in statement period: 28

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Direct inquiries to:
 800 327 9862

DAILY GAZETTE CO
 OPERATING ACCT
 1001 VIRGINIA ST E
 CHARLESTON WV 25301-2816

United Bank
 500 Virginia St East PO Box 393
 Charleston WV 25322-0393

Free Business Checking

Account number	0020	Beginning balance	\$9,655.09
Enclosures	7	Total additions	15,166.00
Low balance	\$50.20	Total subtractions	24,770.89
Average balance	\$6,003.45	Ending balance	\$50.20
Avg collected balance	\$5,939		

CHECKS

Number	Date	Amount	Number	Date	Amount
17938	02-02	264.84	17943	02-27	341.40
17940 *	02-16	1,274.61	17944	02-28	200.00
17942 *	02-21	264.84			

* Skip in check sequence

DEBITS

Date	Description	Subtractions
02-09	' ACH Debit Daily Gazette Co AP DEPOSIT 180209 Daily Gazette Company	7,234.32
02-14	' ACH Debit IRS USATAXPYMT 180214 270844585402084 DAILY GAZETTE CO	674.79
02-22	' ACH Debit IRS USATAXPYMT 180222 270845304384703 DAILY GAZETTE CO	463.61
02-23	' ACH Debit Daily Gazette Co AP DEPOSIT 180223 Daily Gazette Company	7,232.14
02-28	' ACH Debit IRS USATAXPYMT 180228 270845991784349 DAILY GAZETTE CO	6,820.34

DAILY GAZETTE CO
February 28, 2018

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CREDITS

Date	Description	Additions
02-02	Return Item Refer to Ma CHECK 17938	264.84
02-05	Credit Memo	2,119.44
02-14	Deposit	1,781.72
02-23	' ACH Deposit Charleston Newsp AP DEPOSIT 180223 DAILY GAZETTE HOLDING	5,000.00
02-26	' ACH Deposit Charleston Newsp AP DEPOSIT 180226 DAILY GAZETTE HOLDING	6,000.00

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
01-31	9,655.09	02-14	5,647.14	02-23	1,411.94
02-02	9,655.09	02-16	4,372.53	02-26	7,411.94
02-05	11,774.53	02-21	4,107.69	02-27	7,070.54
02-09	4,540.21	02-22	3,644.08	02-28	50.20

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

Thank you for banking with United Bank



Last statement: January 31, 2018
 This statement: February 28, 2018
 Total days in statement period: 28

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Direct inquiries to:
 800 327 9862

DAILY GAZETTE CO
 DISTRIBUTION ACCT
 1001 VIRGINIA ST E
 CHARLESTON WV 25301-2816

United Bank
 500 Virginia St East PO Box 393
 Charleston WV 25322-0393

** Closed Account - Final Statement

Free Business Checking

Account number	0038	Beginning balance	\$2,119.44
Enclosures	1	Total additions	.00
Low balance	\$0.00	Total subtractions	2,119.44
Average balance	\$0.00	Ending balance	\$0.00
Avg collected balance	\$0		

DEBITS

Date	Description	Subtractions
02-05	Debit Memo	2,119.44

DAILY BALANCES

Date	Amount	Date	Amount	Date	Amount
01-31	2,119.44	02-05	0.00		

OVERDRAFT/RETURN ITEM FEES

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

Thank you for banking with United Bank



725-01-01-00 22101 0 C 001 29 50 004
DAILY GAZETTE COMPANY
C/O LINDA HENNEN
1001 VIRGINIA ST E
CHARLESTON WV 25301-2816

Your account statement

For 02/28/2018

Contact us



BBT.com



(800) BANK-BBT or
(800) 226-5228

Protect Yourself from Identity Theft

At BB&T, protection of your information and accounts is our priority. Here are some ways you can prevent identity theft and fraud:

- Shred this statement and other personal information before throwing them away
- Never disclose your personal information, account number, or password to an unexpected email or text
- Monitor your financial accounts and credit reports for suspicious activity
- Notify BB&T at 800-BANK-BBT (800-226-5228) or visit your local branch if you have an issue with your accounts

Learn more security tips at BBT.com/Security

BB&T, Member FDIC.

■ BUSINESS VALUE 200 4577

Account summary

Your previous balance as of 01/31/2018	\$1,781.72
Checks	- 0.00
Other withdrawals, debits and service charges	- 1,781.72
Deposits, credits and interest	+ 0.00
Your new balance as of 02/28/2018	= \$0.00

Other withdrawals, debits and service charges

DATE	DESCRIPTION	AMOUNT(\$)
02/13	ACCOUNT CLOSE OUT 75024117	1,781.72
Total other withdrawals, debits and service charges		= \$1,781.72

Income Statement Actual vs. Prior
For the Period Ending February 28, 2018
The Daily Gazette Company

Current Period				Year to Date			
Actual This Year	Prior Year	Prior Year Var Over (Under)	% of Var Over (Under)	Actual This Year	Prior Year	Prior Year Var Over (Under)	% of Var Over (Under)
5,000.00	5,000.00	0.00	0.00	Publishing Income			
6,000.00	22,500.00	16,500.00-	73.33-	Management Fees Revenue	10,000.00	10,000.00	0.00
				Publishing Fees Revenue	28,500.00	42,500.00	14,000.00-
11,000.00	27,500.00	16,500.00-	60.00-	Publishing Income	38,500.00	52,500.00	14,000.00-
				General & Administrative Exp			26.67-
20,001.66	20,001.66	0.00	0.00	Salaries & Wages - Regular	40,003.32	40,003.32	0.00
1,500.00	1,500.00	0.00	0.00	Salaries & Wages - Bonuses	3,000.00	3,000.00	0.00
0.00	95.88	95.88-	100.00-	Subscriptions	0.00	95.88	95.88-
0.00	0.00	0.00	0.00	Franchise Taxes	0.00	300.00	300.00-
1,729.93	1,696.58	33.35	1.97	Payroll Taxes	3,656.51	3,623.16	33.35
44.80	44.80	0.00	0.00	Employee Group Life Insurance	89.60	88.26	1.34
1,732.00	1,732.00	0.00	0.00	Employee Group Medical Insurance	3,464.00	3,492.74	28.74-
71.00	71.00	0.00	0.00	Pension Benefit Payments	142.00	142.00	0.00
0.00	0.00	0.00	0.00	Money Purchase Plan Expense	0.00	2,125.00	2,125.00-
2,000.00	2,000.00	0.00	0.00	Accounting & Tax Services	4,000.00	4,000.00	0.00
0.00	500.00	500.00-	100.00-	Director Fees	400.00	1,000.00	600.00-
471.30	0.00	471.30	0.00	Miscellaneous Expenses	471.30	0.00	471.30
27,550.69	27,641.92	91.23-	0.33-	General & Administrative Exp	55,226.73	57,870.36	2,643.63-
16,550.69-	141.92-	16,408.77-	999.99-	Gross Margin	16,726.73-	5,370.36-	11,356.37-
				Non-Operating Income			211.46-
0.00	0.98	0.98-	100.00-	Interest Income	0.00	3.21	3.21-
209.93-	0.00	209.93-	0.00	Misc Income	209.93-	4,826.07-	4,616.14
209.93	0.98	208.95	999.99	Non-Operating Income	209.93	4,829.28	4,619.35-
				Other Non-Operating Expenses			95.65-
0.00	254.79	254.79-	100.00-	Real Estate Operating Expense	264.84	254.79	10.05
0.00	0.98	0.98-	100.00-	Miscellaneous Other Expenses	0.00	255.08	255.08-
0.00	255.77	255.77-	100.00-	Other Non-Operating Expenses	264.84	509.87	245.03-
16,340.76-	396.71-	15,944.05-	999.99-	Net Income	16,781.64-	1,050.95-	15,730.69-

Balance Sheet
For the Period Ending February 28, 2018

	February 2018	February 2017
ASSETS		
Current Assets		
Cash	1,153.53-	5,691.89
Customer Accounts Receivable		
Other Company Receivables		
Intercompany	541,917.27	575,141.80
Other	0.00	2,111.42
Total Other Receivables	541,917.27	577,253.22
Prepaid and Deferred Items	0.00	11,437.05-
Intangible Assets	11,816,443.77	11,819,273.87
Accumulated Amortization	0.00	199.06
Total Current Assets	12,357,207.51	12,390,980.99
Non-Current Assets		
Deposits & Other Assets	0.00	203.13
Total Non-Current Assets	0.00	203.13
Total Assets	12,357,207.51	12,391,184.12

Balance Sheet
For the Period Ending February 28, 2018

	February 2018	February 2017
CURRENT LIABILITIES & CAPITA		
Current Liabilities		
Accounts Payable	9,663.60	5,052.85-
Amts Withheld from Employees	7,513.36	7,217.10
Accured Taxes	2,145.60	2,615.46
Accured Salaries & Wages	1,920.26	3,000.00
Accrued Benefits	0.00	2,125.00
Accured Expenses	6,499.00	6,399.00
Total Current Liabilities	27,741.82	16,303.71
Long-Term Liabilities		
Other Non-Current Liabilities	1,110,930.86	1,129,673.82
Total Long-Term Liabilities	1,110,930.86	1,129,673.82
Total Liabilities	1,138,672.68	1,145,977.53
Capital Accounts		
Joint Venture Equity-Gazette	11,235,316.47	11,246,257.54
Total Capital Accounts	11,235,316.47	11,246,257.54
Current Earnings	16,781.64-	1,050.95-
Total Liabilities & Capital Accounts	12,357,207.51	12,391,184.12